

VZCZCXRO4337

PP RUEHAG RUEHAST RUEHDA RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA RUEHLN
RUEHLZ RUEHPOD RUEHROV RUEHSR RUEHVK RUEHYG
DE RUEHBW #1148/01 3110800
ZNR UUUUU ZZH
P 060800Z NOV 08
FM AMEMBASSY BELGRADE
TO RUEHC/SECSTATE WASHDC PRIORITY 0608
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RHEHNS/NSC WASHDC
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK
RHMFISS/HQ USEUCOM VAIHINGEN GE

UNCLAS SECTION 01 OF 02 BELGRADE 001148

SENSITIVE
SIPDIS

E.O.12958: N/A

TAGS: [PGOV](#) [PREL](#) [EINV](#) [SR](#)

SUBJECT: SERBIA'S SANDZAK: WHAT A DIFFERENCE A YEAR MAKES

REF: A) BELGRADE 786, B) BELGRADE 279

Summary

1. (SBU) Though still facing significant economic and political challenges, Novi Pazar, the largest predominantly Muslim city in Serbia, is no longer the potential tinderbox that it was just a year ago. May's election of a democratically oriented - though inexperienced - mayor, and the subsequent removal of the city's longstanding strong man, have reduced the political tensions that long suffocated this Bosniak majority town in southwestern Serbia. The new pro-American mayor has committed himself to multi-ethnic and multi-party governance while promoting openness and accountability, but he has yet to be truly tested. Though the political feud among the divided Muslim community lingers, name calling has replaced last year's street violence. The easing of political tensions in Novi Pazar is testament to an effective U.S. strategy of engaging all sides while addressing the long term endemic problems of an isolated and frequently politically manipulated corner of Serbia. End Summary.

Novi Pazar: New Mayor, New Mandate

2. (SBU) Following May's local elections, Novi Pazar (population 120,000) formed a new municipal government led by the Sandzak Democratic Party (SDP) in coalition with the local Serb list (Ref A). The new coalition ended more than ten years of rule by Sulejman Ugljanin of the Democratic Action Party (SDA). In July, Mirsad Djerlek assumed the office of mayor, and has called for an open multi-ethnic, multi-party administration committed to good governance. Ugljanin's ouster and Djerlek's message of compromise have reduced the political tensions that were mounting against Ugljanin. Though Novi Pazar has many political and economic hurdles, our contacts all report that the atmosphere has changed from opposition to cooperation.

Committed to Working Together...

3. (SBU) Novi Pazar's mayor told the Ambassador during an October 29-30 visit to the city that he was committed to a multi-ethnic municipal government. Djerlek said he recognized that ethnic relations between the Serbian minority (15%) and the Muslim majority (85%) were poor, and he was committed to addressing the problem through dialogue and cooperation with the local Serbian list coalition partners. Djerlek also said he would work with Ugljanin's SDA, which only the day before began attending municipal assembly sessions. Djerlek also cited a constructive meeting he had with SDA mayors from the nearby municipalities of Sjenica and Tutin. Djerlek said he would continue to engage feuding Muslim leaders, stating that he would "encourage them to talk for a year, rather than to fight for a day."

...And with the United States

14. (SBU) In addition to working with his local citizens, Djerlek said he was committed to working closely with the United States. Djerlek told the Ambassador he would quickly finalize construction of a municipal property that would serve as the newest American Corner in Serbia.

On October 29 Djerlek signed an MOU to join USAID's Municipal Economic Growth Activity (MEGA) program in an effort to improve the region's business and investment climate. He also welcomed quick U.S. technical assistance to address a significant municipal debt that he inherited from the previous government. Djerlek asked for our assistance in bringing the economic and political needs of Novi Pazar to the forefront of national decision makers in Belgrade.

NGO and Business Leaders: Change and Challenges

15. (SBU) Civic and business leaders told the Ambassador that the political climate had calmed since the peaceful conclusion of May's local election. They credited the mayor for his openness but recognized significant challenges. Representatives of local NGO's said Novi Pazar is faced with huge demographic divisions facing women, youth, and minorities. Unemployment among youth was nearly 50%, and was even higher for women, resulting in a growing idle population. Novi Pazar's business leaders in the local niche textile trade said they had the capacity to expand production but were limited by difficult access to external markets and the lack of design and marketing capability. Businessmen were concerned that government lending and credits would dry up during this economic downturn and there would be no access to capital on private markets.

In order to provide greater business and educational opportunities, all called for a more open visa regime for travel to

BELGRADE 00001148 002 OF 002

the EU, a desire heard in all corners of Serbia.

Muslim Community Feud Ongoing, But Less Tense

16. (SBU) Muslim leaders from the feuding communities also acknowledged a decrease in tensions with the new local government. Mufti Muamer Zukorlic, leader of the larger and more prominent Islamic Community in Serbia, said that with Ugljanin's removal the region was hopeful for progress. (Comment: Zukorlic receives political support from the SDP party and his rival Zilkic from Ugljanin's SDA Party. End Comment) He said, however, that the new municipal government must deliver on progress and if it "does not pass the test, voters will vote them out at the next opportunity." He left open exactly who would fill that political space if the current government could not deliver. A new local government was only part of the solution, Zukorlic said, stating that he also wanted to see changes in the national government's interactions with Novi Pazar, particularly regarding security, judicial, and educational issues. He said that after years of neglect, Belgrade needed to treat Novi Pazar (and him) as a partner which merited respect.

17. (SBU) Reis Adem Zilkic, of the marginalized Islamic Community of Serbia, welcomed the decrease of tensions since the elections but said there was still "a long way to go before the Bosniak community was able to heal itself." Like Zukorlic, he called for better relations between Belgrade authorities and Novi Pazar. He committed himself to dialogue with both local and national actors in order to foster greater goodwill. (Comment: Though both were invited to this year's Iftar hosted by the Ambassador, only Zilkic attended. Zukorlic refused citing his opposition to our talking to Zilkic's group. Zilkic delivered an apparently constructive speech at the Iftar calling for reconciliation, a gesture more political than sincere, given the defeat of his sponsor Ugljanin. End Comment.)

Comment

18. (SBU) While time may have healed some of the political wounds in Novi Pazar, our increased engagement over the past year has also

helped create a more inclusive and calm environment. The USAID mission maintains a field office in Novi Pazar that has worked with local leaders to address underlying structural problems in the business climate and local governance. Embassy officials, including the DCM and Ambassador, have also traveled more than six times to this isolated region in the past year in an effort to foster a dialogue among all parties and to encourage the small civil society to work with the municipal government which it long mistrusted. Though the mayor and the municipality will have some major challenges ahead, particularly in this difficult economic period, the groundwork has been set and dialogue may now replace distrust.
End Comment.

MUNTER